

**RUBY RANCH OWNERS ASSOCIATION [RROA]
ADMINISTRATIVE POLICIES AND PROCEDURES**

Adopted by Unanimous Vote on September 10, 2005

I. FINANCIAL POLICIES

- A. RROA finances will be maintained in a simple checking account in a local bank chosen by the Board of Directors.
- B. The fiscal year for the RROA will be September 1 to August 31.
- C. A report on the status of the RROA finances will be given at each annual meeting at which time the account balance at the close of the fiscal year together with the expenditures during the past fiscal year and the proposed expenditures during the coming fiscal year are presented to the membership.
- D. There will be no formal audit required of the RROA checking account, unless required by the Board of Directors.
- E. Maintenance and reporting of the checkbook accounting shall be acceptable to the RROA until the annual expenditures in the budget exceed \$500. In this event the Board of Directors shall institute additional procedures.
- F. Regular or special assessments required for the RROA shall be determined in accordance with the provisions of Article V of the Ruby Ranch Covenants.

II. ADMINISTRATIVE POLICIES AND PROCEDURES

- A. Conduct of Meetings
 - 1. Annual/Special Meetings of RROA
 - a. Notice to be provided in accordance with the provisions of the Covenants.
 - b. An agenda shall always be provided together with the notice.
 - c. The conduct of the meeting shall be generally informal using the agenda as a guide, however, in the case of controversy, upon the request of a member, the meeting shall be conducted in accordance with Robert's Rules of Order.
 - d. There shall always be opportunity provided for comments and questions from the Owners concerning the items on the agenda.
 - e. Any matter that is to be decided by the RROA as a body shall be by a vote. However, only if requested shall a secret ballot be used.

If an Owner requests that there be a secret ballot one shall always be required.

- f. The election of the members of the Board of Directors of the RROA shall be by secret ballot unless a motion is made for election by acclamation, which is adopted by the membership.
- g. If a vote is taken by show of hands the vote count shall be conducted by the President and verified by the Vice-President. If a secret ballot is taken on any matter, the vote shall be counted by at least two Owners not directly involved in the outcome and verified by the President or the Vice-President.
- h. Minutes of the meetings of the RROA shall be kept under the supervision of the President. Minutes shall be provided for the Owners review and approval at the next regular meeting of the RROA.

2. Board Meetings

- a. The Board of Directors of the RROA shall meet every other month and, whenever possible, in conjunction with the Willow Brook Metropolitan District Board Meeting.
- b. Notice of Board meetings shall be given on the Ruby Ranch web page at least 24-hours prior to the meeting. Written notice of regular Board meetings shall be included with the notice of the Willow Brook Metropolitan District Board. The RROA waives the requirement for physical posting of notices of the meetings of the Board.
- c. All meetings of the Board of Directors shall be open to all Owners and opportunity for comments and questions on any matter before the Board shall be received. The only exception to this requirement shall be if the Board is required to consult with legal counsel if there is litigation with an Owner. If an executive session for that purpose is required it must be limited to the purpose that is announced.
- d. Minutes shall be maintained under the supervision of the President and available on request for inspection by any Owner.
- e. There shall be no reimbursement or compensation to any member of the Board of Directors for attendance at any meeting.
- f. The meetings shall be conducted in an informal matter unless a Board member specifically requests that Robert's Rules of Order

be employed in which case Robert's Rules of Order shall be utilized.

B. Architectural Review Committee

1. The RROA ratifies the Covenants and development guide as the principles to guide the ARC. In addition, the process for granting variances and for protesting any decision of the ARC in the Covenants are ratified.
2. Any Owner making a submission to the ARC may request a meeting or meetings which the ARC shall accommodate. The purpose of the meeting(s) may be to discuss plans, inquire about possible positions or to question any provision in an ARC decision.
3. The ARC shall always provide a written decision specifying all terms and conditions of approval or reasons for disapproval within the time limits specified in the Covenants.

C. Records

1. All records of the RROA shall be available for copying by any Owner.
2. No records shall be removed from the place of storage, unless specific arrangements are made with an Officer of the Association and an inventory of any records proposed to be removed is made. Any records removed for copying shall be promptly returned.
3. Copying of Association records may be requested from an Officer of the Association at a cost of \$.15 per page.

D. Education

1. It is determined by the RROA that no outside educational activities are necessary for its Board of Directors and no payments should be made to Board members for attendance at educational activities. The members of the Board of Directors are encouraged to attend educational opportunities on their own if it seems appropriate.
2. The RROA has determined that the information provided on the Ruby Ranch web site and at the annual meeting is sufficient education for the Owners in order to allow them to understand the functioning of the Association.

E. Conflicts of Interest

1. If any member of the Board of Directors has a financial interest in any matter before the Board, the member shall promptly disclose it to the other members of the Board of Directors at a Board Meeting.

2. The disclosing Board member may participate in any discussion of the matter.
3. The disclosing Board member may not vote on any matter in which there is a financial interest.

F. Disclosure

The RROA and its Owners recognize and accept their responsibilities under C.R.S. 38-35.7-102 as follows:

38-35.7-102. Disclosure - common interest community - requirement for architectural approval. (1) In every purchase and sale of residential real property in a common interest community:

(a) The seller shall cause to be furnished to the buyer, at the seller's expense, all documents required by section 38-33.3-223 at least ten days before closing in the case of a sale by owner or within the time limits set forth in section 38-33.3-223 in the case of a brokered transaction.

(b) (I) The seller shall provide the buyer with a disclosure statement in bold-faced type that is clearly legible and in substantially the following form:

“THE BUYER HEREBY ACKNOWLEDGES THAT THE BUYER HAS RECEIVED COPIES OF THE DECLARATION, COVENANTS, BYLAWS, AND RULES AND REGULATIONS OF THE HOMEOWNERS' ASSOCIATION OF THE RUBY RANCH, IN WHICH THE PROPERTY IS LOCATED, AND THE BUYER UNDERSTANDS THAT THESE DOCUMENTS CONSTITUTE AN AGREEMENT BETWEEN THE ASSOCIATION AND THE BUYER. BY SIGNING THIS STATEMENT, THE BUYER ACKNOWLEDGES THAT THE BUYER HAS READ AND UNDERSTANDS THE ASSOCIATION'S DECLARATION, COVENANTS, BYLAWS, AND RULES AND REGULATIONS. THE BUYER ALSO UNDERSTANDS THAT BY COMPLETING THIS PURCHASE, THE BUYER IS RESPONSIBLE FOR PAYING ASSESSMENTS TO THE ASSOCIATION. IF THE BUYER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO COLLECT THE DEBT.

THE BUYER ALSO UNDERSTANDS THAT ANY CHANGE TO THE EXTERIOR OF THE PROPERTY MAY BE SUBJECT TO ARCHITECTURAL REVIEW AND APPROVAL. FAILURE TO SECURE SUCH REVIEW AND APPROVAL COULD BE A VIOLATION OF THE DECLARATION AND COULD RESULT IN REMEDIAL ACTION BEING TAKEN BY THE ASSOCIATION.”

(II) It shall be the responsibility of the seller to obtain from the purchaser a signed acknowledgment of receipt of the information and disclosure statement described in this section,

whether such acknowledgment is incorporated in the contract of purchase and sale or otherwise, at the time of closing and to deliver such signed acknowledgment to the association as soon as is practicable thereafter. In the event of the failure by the seller to provide such information and disclosure statement, the purchaser shall have a claim for relief against the seller for all damages to the purchaser resulting from such failure plus court costs; except that, to the extent that the buyer's damages resulted from the association's failure or refusal, without legal justification, to provide documents within its control to the seller despite the good faith efforts of the seller to obtain them, or because the association did not maintain records as required by section 38-33.3-317, the seller shall not be liable.

Adopted this 10th day of September, 2005

Attest:

By:



Name:

David W Robbins

Title:

President